GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5763
ANSWERED ON:02.05.2003
PERMISSION TO TOBACCO BOARD FOR DIRECT PURCHASE
KAMBALAPADU E. KRISHNAMURTHY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government of Andhra Pradesh has requested the Union Government for directing the Tobacco Board to purchase tobacco directly from farmers so as to help the farmers to get minimum price for their produce;

(b) if so, the details thereof; and

(c) the response of the Union Government to the request?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a)&(b): The Andhra Pradesh Government has suggested that the Union Government permit Tobacco Board to undertake market intervention operations during the current marketing season.

(c) Tobacco Board is required to intervene in the market when prices of Flue Cured Virginia (FCV) Tobacco fall below the Minimum Support Price (MSP). At present, the prices prevailing in the ongoing tobacco auctions in Andhra Pradesh are above the MSP.